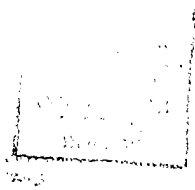


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1961

Report

NATIONAL BISCUIT COMPANY

64th

ANNUAL REPORT

for the year ended December 31, 1961

NATIONAL BISCUIT COMPANY

425 Park Avenue
New York 22, N. Y.

NOTICE TO SHAREHOLDERS

The annual meeting of shareholders will be held at 2 P.M., April 11, 1962, in the Windsor Ballroom of the Commodore Hotel, 42nd Street and Lexington Avenue, New York, N. Y. Shareholders who cannot attend the meeting are urged to exercise *their right to vote by proxy*. A proxy form, proxy statement and return envelope will be sent to shareholders on March 6, 1962.



FINANCIAL HIGHLIGHTS

	1961	1960
Net sales	\$486,300,000	\$463,600,000
Income from operations	57,300,000	58,200,000
Net income	28,400,000	29,300,000
Net income per dollar of sales	5.8 cents	6.3 cents
Net income per share of common stock	3.96	4.09
Dividends declared		
Preferred stock—7%	1,700,000	1,700,000
Common stock	18,900,000	17,200,000
Per share of common stock	2.80	2.50
Earnings retained in the business	7,800,000	10,400,000
Cost of plant and equipment additions	16,800,000	11,500,000
Current assets	129,600,000	129,700,000
Current liabilities	52,400,000	53,900,000
Working capital	77,200,000	75,800,000



1961

Report

TABLE OF CONTENTS

President's Letter	3
Sales	4
Net Income	5
Working Capital	6
Capital Expenditures	7
New Acquisitions	7
Research	8
New Products	9
International Operations	10
Shareholders and Dividends	11
Personnel	12
Organizational Changes	12
Summary of Operations	13
Financial Position	14
Income and Retained Earnings	15
Notes to Financial Statements	16
Report of Auditors	17
Ten Year Financial Review	18, 19
Directors and Officers ...	inside back cover

THE PRESIDENT'S LETTER

To the Shareholders:

It is a pleasure to report that 1961 was one of NABISCO's best years. Both dollar sales and tonnage volume were at an all-time high. Profits were the second best in our history.

As we entered 1961, the country was still in a recession. Our strategy was to do everything possible to maintain our favorable position in the market place. To do this required heavy expenditures in advertising, promotion and selling.

To build solidly for the future required increased expenditures for research and development. Out of research and development must come new methods, new processes, new products, new concepts and increased efficiency. We spent large sums in market-testing new products which came from our laboratories. These products will pay off in years to come.

In 1961, we offered the consuming public the best values we have ever produced. Our position in the market place was improved. Every division obtained record high sales, evidence that our strategy was sound.

On November 1, 1961, the Company instituted a major change in its organizational structure. This enables us to have closer profit accountability in our major operating divisions. It also provides for more effective use of several important service departments on a world-wide corporate basis.

As a result of the reorganization, the Biscuit and Special Products Divisions have added production and plant management to their marketing and sales responsibilities. A new Operational Services and Research Department, which includes engineering, manufacturing services, mechanical development, new plant construction and research, is available to all Company divisions and subsidiaries.

NABISCO management thanks our directors, employees, shareholders, customers and suppliers for their support in 1961. We are enthusiastic about the prospects for 1962.



March 5, 1962

President

Sales

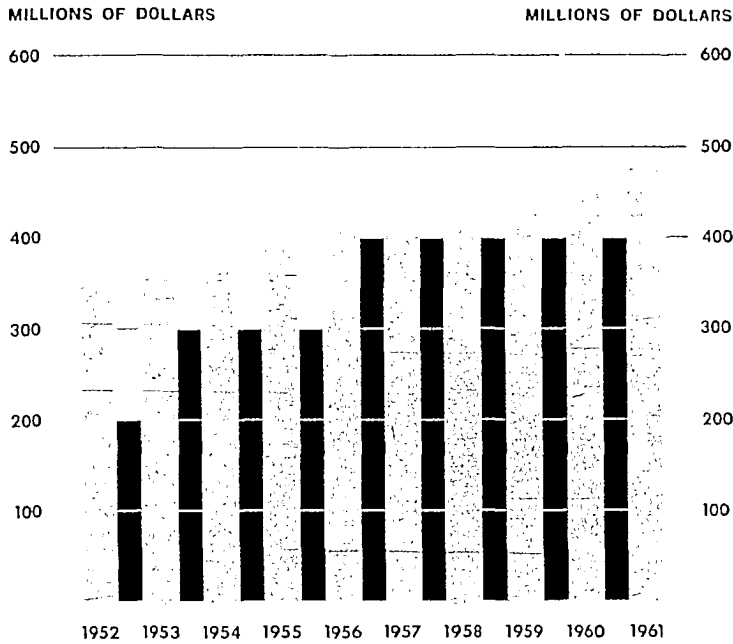
The Company's net sales again attained record levels in 1961. The total of \$486.3 million was a new high figure for NABISCO, up 4.9 per cent from \$463.6 million in 1960. Figures in this report include results for both 1960 and 1961 of The Cream of Wheat Corporation, acquired August 9, 1961.

In addition to establishing a record dollar figure, the 1961 results represented the highest tonnage produced and sold in our history.

The sales increases were not due to singular successes by one or two products but reflect general gains by the Company's several product lines. Sales by the Biscuit, Bread and Special Products Divisions represented in each instance an encouraging gain over results of the previous year. It is also noteworthy that the improvement strengthened as the year developed; the last six months of the year were stronger in comparison with 1960 results than were the first six months.

General business conditions were soft as the year opened. They began to improve in the late spring and the economy was a good deal stronger at the end of the year with consumer income and spending at a high level.

Net Sales



Conditions of economic uncertainty were reflected in a reluctance on the part of consumers to spend money not easily replaced. In such a climate it was necessary to strengthen advertising and promotion expenditures, to keep reminding consumers of our products and to call attention to the values they represent. NABISCO had to spend more to produce its sales gains, but substantial benefits have been realized. Sales were exceptionally strong at the end of the year and, perhaps of greater importance, our Company and product brand names remained prominently before the consuming public.

Net Sales by Quarters In Millions of Dollars

<i>Quarter Ended</i>		<u>1961</u>	<u>1960</u>
March	31	\$118.1	\$115.1
June	30	120.3	113.2
September	30	119.1	113.1
December	31	128.8	122.2
Total		<u>\$486.3</u>	<u>\$463.6</u>

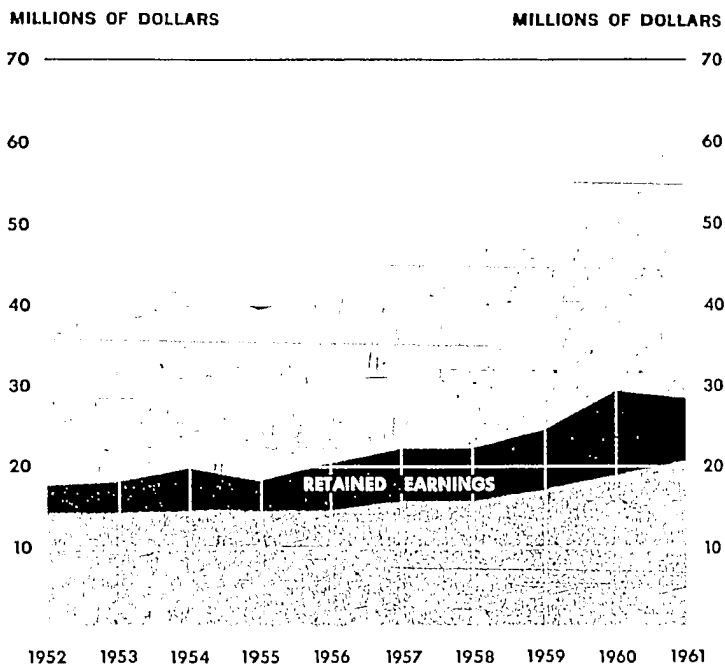
Net Income

Although sales continued to increase, NABISCO's net earnings for the year dipped below the record of 1960. Net income for 1961 totaled \$28.4 million as compared with \$29.3 million in 1960. Cream of Wheat net earnings are included for both years. Profits on a per share of common stock basis were \$3.96 in 1961, against the adjusted figure of \$4.09 in 1960.

Despite the decline, 1961 earnings were the second highest in the Company's history. Down 10 per cent from 1960 for the first three months, profits improved as the year progressed and at the close of the year were about even with the record 1960 figures.

The reduction in earnings was directly attributable to a steady rise in the costs of doing business. Labor rates and other costs continued their upward climb and increases in our selling prices, which were not in effect for the full year, only partially covered this additional expense. Miscellaneous nonrecurring items of income in the last calendar quarter of 1961 amounted to approximately nine cents per share of common stock, as compared to six cents per share in the same quarter of 1960.

Distribution of Income Before Taxes



Working Capital

At December 31, 1961 the Company's working capital (current assets less current liabilities) amounted to \$77.2 million. At the end of 1960 working capital of National Biscuit Company was \$70.7 million and The Cream of Wheat Corporation \$5.1 million, a combined total of \$75.8 million. Total working capital increased by \$1.4 million in 1961.

Working capital was provided by net income for the year of \$28.4 million and by depreciation (which reduces net income, but does not represent a cash outlay) of \$12.4 million. In 1961, working capital was reduced by dividends declared of \$20.6 million, by plant and equipment additions of \$16.8 million, and by other items in the amount of \$2.0 million.

"Quick Assets" consisting of cash and marketable securities totaled \$51.1 million at December 31, 1961 as compared with \$54.8 million for the two companies a year ago, a decrease of \$3.7 million.

Capital Expenditures

NABISCO'S capital spending covering new plants and equipment totaled \$16.8 million in 1961, up substantially over the \$11.5 million spent in 1960.

The largest single project in the 1961 program was the current construction of a new biscuit and cracker bakery in Chicago. This plant, adjacent to our present Chicago bakery, will provide for necessary additional capacity and is scheduled to begin producing by the end of 1962.

Other 1961 capital expenditures covered the installation of new equipment in a large number of our cracker, cereal and bread bakeries, both in this country and abroad. A complete unit for the mixing, baking and packaging of RITZ CRACKERS was put into our plant in England. New packaging equipment for NABISCO SHREDDED WHEAT was installed in England and in Oakland, California. A four-story addition to our Niagara Falls, Canada cereal bakery has been completed and conversion of production to modern band ovens will be accomplished early in 1962. The Bread Division extended the new continuous-mix operation to its bakeries in Albany, New York, and Birmingham, Alabama.

Capital expenditures are expected to be approximately \$23 million in 1962. Completion of the Chicago bakery will be the major item, but the total figure also includes the installation of a new oven at our Philadelphia cracker bakery and the application of further automatic equipment and processes in our continual efforts to improve productivity and reduce operating costs.

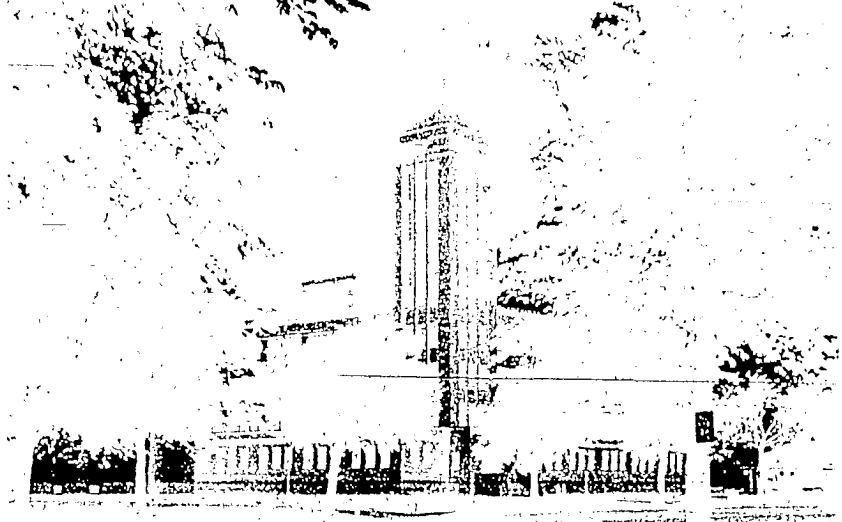
New Acquisitions

The Company appreciably expanded both its domestic and international operations the past year with the acquisition of three food companies, each with well established product names in its own country.

The Cream of Wheat Corporation became a division of National Biscuit Company on August 9. For over 65 years CREAM OF WHEAT has been one of the nation's most popular hot cereals and is an excellent addition to our growing line of cereal products.

On April 27 NABISCO purchased Arbona Hermanos Incorporada, a quality cracker baking concern in Puerto Rico. Located in Mayaguez, about 100 miles west of San Juan, Arbona has a modern band-oven bakery which greatly improves our marketing position in this growing area.

A controlling interest in one of the important biscuit companies in



The main plant and offices of The Cream of Wheat Corporation in Minneapolis. Cream of Wheat also has a plant in Winnipeg, Canada.

France, Société Anonyme Biscuits Gondolo, was purchased on May 4. Gondolo has a large bakery with modern production facilities in a suburb of Paris and will enable NABISCO to increase its participation in the European common market.

Research

Research activities in a variety of areas were expanded during 1961. These included consumer surveys and market testing, new-product development, and experimental work on mixing and baking equipment and techniques. Continuing work on new packaging materials and processes also received emphasis. All of these areas of investigation have the single objective of bringing to consumers the new and improved products, in better and more convenient packages, for which they have expressed a preference.

The costs of these research programs were higher in 1961 than in any previous year. Expenditures for new product, packaging and mechanical development have risen steadily and are not likely to decline appreciably if NABISCO is to continue to grow. They must be regarded as a type of investment spending which, although not immediately returnable, is essential to the Company's future position in a highly competitive market.

One example of this is the work toward technical and mechanical improvement which has been conducted with increasing emphasis in recent years. The accumulated savings in cost through production efficiency have far surpassed the initial outlays for the research and development programs which produced these improvements in equipment and methods. These savings gain in importance as the wage and cost spiral continues its advance.

One of the Company's active research interests is its continuing membership in The Nutrition Foundation. Formed in 1941 by a number of American food manufacturers, NABISCO among them, this organization has performed two decades of valuable public service. The Foundation sponsors fundamental research in nutrition, advances professional training in the field, and provides the public with an authoritative source of information on this country's excellent and abundant food supply.

New Products

The introduction of a steady flow of new products is an essential function in supplying today's food market. The life-span of many food products has been greatly reduced as food manufacturers and processors have intensified their efforts to please constantly changing consumer tastes.

NABISCO was successful in 1961 with the marketing of a number of new items which met with good consumer reception. The domestic divisions of the Company and our international subsidiaries introduced products which possess a potential for future growth.

Following is a partial list of new items which reached the U. S. market in the past year:

CHEESE-NIPS CRACKERS—a small, square snack cracker made with aged cheddar cheese.

FRENCH ONION THINS CRACKERS—an all-purpose snack cracker baked with real onions and sprinkled with poppy seeds.

A HOME STYLE line of CINNAMON SUGAR COOKIES, COCOANUT TAFFY COOKIES, and OATMEAL COOKIES.

NABISCO CHOCOLATE COVERED SUGAR WAFERS—an old NABISCO favorite enrobed with a coating of pure chocolate. This product is one of a group of new and improved chocolate-coated cookies including CHOCOLATE MARSHMALLOW ECLAIRS and CHOCOLATE PEANUT BARS.

LEMON CREME SANDWICH—a tangy lemon filling sandwiched between two rich vanilla cookies.

DROMEDARY SCONE MIX—an easy-to-prepare, versatile mix combining the best of biscuits, rolls and muffins.

Two popular and established NABISCO products received noteworthy packaging changes which have found favor with consumers. NABISCO SHREDDED WHEAT is now wrapped in inner packs of wax paper to increase protection and preserve freshness. UNEEDA BISCUIT now comes in the inner-wrapped "Stack Packs" similar to our two best-selling varieties, PREMIUM SALTINE CRACKERS and RITZ CRACKERS.

In the fall of this year the Company announced development of a survival-ration cracker designed as a food supply to be stored for emergencies. The cracker was developed jointly with the New York State Department of Health. A daily diet of 66 crackers will provide 2,000 calories and the crackers, with a pleasant taste similar to BARNUM'S ANIMALS CRACKERS, are packed in hermetically sealed tins.

International Operations

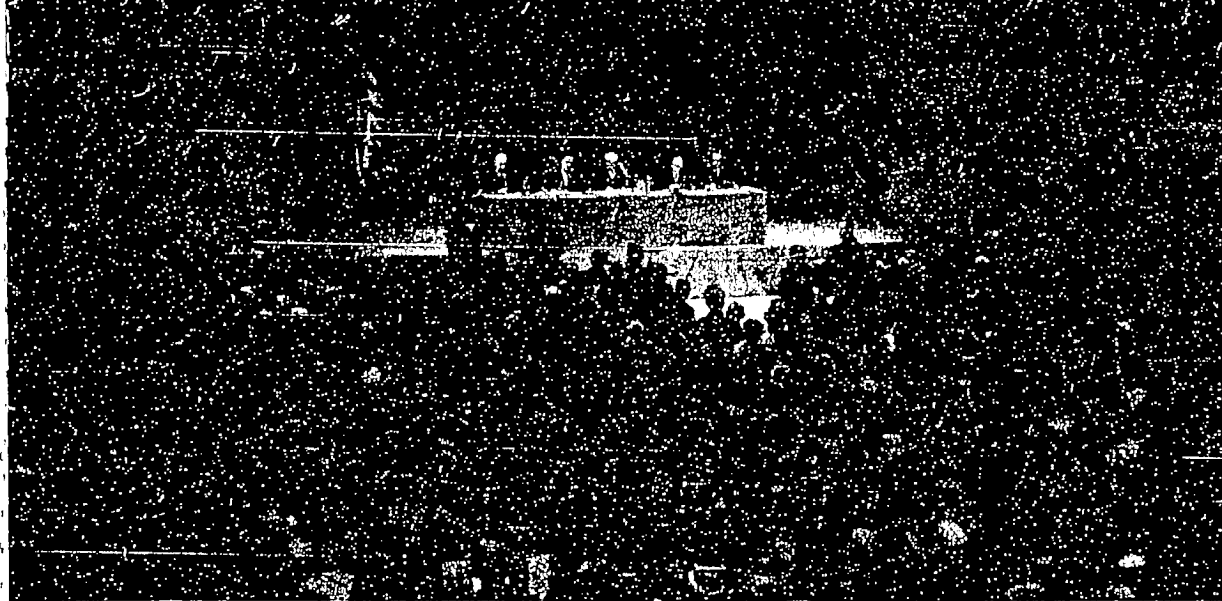
NABISCO's operations outside the United States have increased considerably in the past few years. At the present time the Company has wholly owned manufacturing and marketing subsidiaries in Canada, England, Australia and New Zealand, whose results are consolidated in our financial statements. In addition, NABISCO has a controlling interest in other non-consolidated subsidiary operations in Venezuela, Mexico, Puerto Rico and France. In Italy, a total of 18 NABISCO biscuit and cracker varieties are produced and sold under a licensing agreement with the firm of Motta S.p.A., located at Milan.

In addition to these producing units overseas the Company operates a sizable export business, with NABISCO products manufactured in the United States currently being shipped to over 100 countries. On January 2, 1962, a sales and distribution branch was opened in Hawaii which should increase our sales in the 50th state. This is the second such branch opened outside the continental United States recently, following the establishment of a similar unit in Puerto Rico a year ago.

One of the leading developments in our international group during 1961 was the production of RITZ CRACKERS in England. NABISCO has operated in England for more than 30 years, manufacturing principally cereal products and more recently prepared mixes. The introduction of RITZ CRACKERS was our first venture into biscuit and cracker production in the British Isles and its success has encouraged the planning of additional varieties for that market.

Other activities overseas during the year included the expansion of distribution facilities and service in Mexico and Venezuela, and the installation of bulk flour and sugar handling equipment in Toronto, Canada. Successful new product introductions were made by most of the subsidiary companies, a great many of them NABISCO varieties which have enjoyed previous success in the United States.

Sales made by wholly owned subsidiary companies outside the United States which are consolidated in this report amounted to 13 per cent of



A record turnout of 570 persons attended the 63rd Annual Meeting of National Biscuit Company shareholders, held in New York City in April, 1961.

NABISCO's net sales in 1961. Considerable capital spending on the part of nearly all of the nondomestic subsidiary companies has placed them in excellent position in their markets and the future sales and earnings outlook for the group is encouraging.

Shareholders and Dividends

Following acquisition of The Cream of Wheat Corporation by NABISCO in August, 1961, approximately 8,000 holders of Cream of Wheat common stock became shareholders of National Biscuit Company. Largely as a result of the addition of these shareholders the total number of owners of shares of NABISCO preferred and common stocks at the end of 1961 had increased to 83,174.

Shareholder equity per share of common stock also increased during the year by \$1.16 to a new high of \$29.00. In total, common stock equity at December 31, 1961 was \$195.7 million compared with \$187.8 million at the end of 1960.

Dividends of 70 cents per share of common stock were declared and paid in each quarter of the year—a total of \$2.80 per share for the year as a whole compared with \$2.40 paid and \$2.50 declared in 1960. Dividends on the Company's preferred stock were continued at the regular \$7.00 per share annual rate. In 1961, total dividends declared on the preferred and common stocks amounted to \$20.6 million including Cream of Wheat dividends prior to acquisition.

Personnel

The total amount of salaries, wages and benefits paid in 1961 was \$157.6 million, compared with \$149.9 million in 1960. At year-end NABISCO and consolidated subsidiary companies had 26,031 employees.

The Company's programs for personnel selection and training were strengthened during the year to meet the demands of NABISCO's growing sphere of activities. The emphasis on these programs to develop and prepare personnel for positions of increased responsibility has produced excellent results. The soundness of this policy is evidenced by the fact that over four thousand of our United States employees, approximately 20 per cent, have served with the Company for more than 20 years.

On July 1, 1961 an Employee Stock Purchase Plan approved by the shareholders was made available to employees working in the United States who have had at least two years of continuous service. Offered to increase employee interest in NABISCO and its efficient operation, the Plan includes a Company contribution of 20 per cent of each employee's payments made through payroll deductions. At the close of the year 5,510 employees were participating in the plan.

Pension costs totaled \$5.8 million in 1961. In addition, the Company's contributions to the Federal Old-Age, Survivors, and Disability Insurance program amounted to \$3.1 million.

Organizational Changes

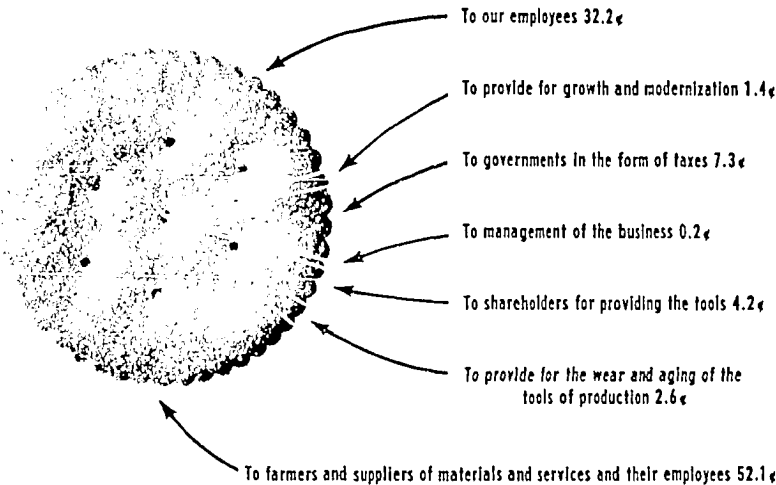
We regret to announce that Charles C. Auchincloss, a member of the Board of Directors for 18 years, died on May 14, 1961. A partner in the firm of F. S. Moseley & Company, New York stock brokers, Mr. Auchincloss had served on the Executive Committee since January, 1953.

On February 27, 1961, Lawrence A. Apple, president of the American Management Association, was elected to the Board of Directors. Mr. Apple brings to the Board a wide range of knowledge and experience and a distinguished reputation in the field of management.

On April 12, 1961, Edwin F. Mundy was elected Vice President for Traffic. Mr. Mundy has had 31 years of service with NABISCO.

NATIONAL BISCUIT COMPANY AND CONSOLIDATED SUBSIDIARIES

Each Nabisco Sales Dollar Produced Income:



Summary of Operations - 1961

We received from sale of our products	\$486,340,039
We expended for	
Raw materials, supplies and services bought from others	253,664,766
Employees' services (wages, pensions, social security taxes, etc.)	156,805,221
Direct taxes, except social security taxes	35,337,989
Estimated wear and tear on plant and equipment	12,424,628
Officers' salaries for management of the business	<u>826,932</u>
Leaving profits* which were	
Distributed as dividends to the shareholders	\$ 20,598,097
Retained in the business for expansion and modernization	<u><u>6,682,406</u></u>

* National Biscuit Company also received \$1,939,009 interest, miscellaneous income and profit on sale of fixed assets arising from activities not related to the manufacture or sale of its products which, after taxes, had the effect of adding \$1,143,930 to net income.

NATIONAL BISCUIT COMPANY AND CONSOLIDATED SUBSIDIARIES

Financial Position

	December 31, 1961	December 31, 1960 (a)
Current assets		
Cash	\$ 14,550,100	\$ 17,247,478
Marketable securities (approximately market) . .	36,592,410	37,629,972
Accounts receivable	18,390,164	16,738,217
Inventories (b)	60,036,278	58,046,195
Total current assets	<u>129,568,952</u>	<u>129,661,862</u>
Less current liabilities		
Accounts payable and accrued expenses	25,586,102	26,429,160
Common dividend payable	4,721,445	4,469,963
Federal and foreign taxes on income	22,073,943	22,990,981
Total current liabilities	<u>52,381,490</u>	<u>53,890,104</u>
Working capital	77,187,462	75,771,758
Investment in and advances to foreign subsidiaries, not consolidated	5,230,325	2,194,325
Mortgages receivable	5,391,966	5,367,948
Other assets (c)	7,305,732	7,869,569
Plants, real estate, machinery and equipment (d) . .	125,340,623	121,426,172
Excess of assets over liabilities	<u>\$220,456,108</u>	<u>\$212,629,772</u>
Represented by		
Capital stock, preferred	\$ 24,804,500	\$ 24,804,500
Par value \$100—7% cumulative, noncallable— shares authorized 250,000, issued 248,045		
Capital stock, common	67,459,610	67,459,610
Par value \$10—shares authorized 12,000,000, issued 6,745,961		
Additional paid-in capital (a)	1,434,740	1,434,740
Retained earnings	126,757,258	118,930,922
	<u>\$220,456,108</u>	<u>\$212,629,772</u>

(Financial statements should be read in conjunction with notes appearing on page 16.)

NATIONAL BISCUIT COMPANY AND CONSOLIDATED SUBSIDIARIES

Income and Retained Earnings

	1961	(a)	1960
Net sales	<u>\$486,340,039</u>		<u>\$463,591,859</u>
Cost of sales	288,638,510		270,647,228
Selling, general and administrative expenses	117,490,262		112,658,320
Depreciation	12,424,628		11,995,978
Taxes (other than federal and foreign taxes on income)	10,460,438		10,040,916
Interest and miscellaneous income (net)	1,217,532		1,957,252
Profit on disposal of fixed assets	721,477		621,371
Federal and foreign taxes on income	<u>30,840,777</u>		<u>31,513,618</u>
Total	<u>457,915,606</u>		<u>434,277,437</u>
 Net income	 28,424,433		 29,314,422
Retained earnings January 1	118,930,922		104,676,969
Retained earnings of The Cream of Wheat Corporation at January 1, 1960	<u>—</u>		<u>3,839,998</u>
	<u>147,355,355</u>		<u>137,831,389</u>
Preferred dividends declared, \$7.00 per share	1,736,315		1,736,315
Common dividends declared, \$2.80 per share in 1961, \$2.50 per share in 1960	18,381,782		15,964,152
Dividends declared by The Cream of Wheat Corporation, prior to pooling of interests	<u>480,000</u> <u>20,598,097</u>		<u>1,200,000</u> <u>18,900,467</u>
Retained earnings December 31	<u><u>\$126,757,258</u></u>		<u><u>\$118,930,922</u></u>

(Financial statements should be read in conjunction with notes appearing on page 16.)

Notes to Financial Statements

(a) The Cream of Wheat Corporation was acquired August 9, 1961 for 360,000 shares of National Biscuit Company common stock, which acquisition has been treated as a pooling of interests. Consequently, the statement of income and retained earnings includes the results of Cream of Wheat operations for both 1960 and 1961. The statement of financial position at December 31, 1960 has been restated to include amounts applicable to Cream of Wheat at that date. The details of restated additional paid-in capital at December 31, 1960 are as follows:

National Biscuit Company	\$ 2,593,787
The Cream of Wheat Corporation	<u>1,240,953</u>
	3,834,740
Less excess of par value of 360,000 shares of National Biscuit Company common stock over par value of the capital stock of The Cream of Wheat Corporation	<u>2,400,000</u>
	<u><u>\$ 1,434,740</u></u>

(b) Inventories are generally stated at average cost or market, whichever is lower, and comprise

	<u>1961</u>	<u>1960</u>
Raw materials and supplies	\$ 39,611,856	\$ 38,968,778
Finished product	<u>20,424,422</u>	<u>19,077,417</u>
	<u><u>\$ 60,036,278</u></u>	<u><u>\$ 58,046,195</u></u>

(c) Other assets for 1961 include \$5,617,612 of unamortized excess of cost of investment over book amount of net assets of consolidated foreign subsidiaries acquired since 1958; and \$1,688,120 of prepaid expenses and deferred charges.

(d) Plants, real estate, machinery and equipment are stated at cost and comprise

	<u>1961</u>	<u>1960</u>
Buildings	\$ 83,262,071	\$ 79,843,558
Machinery and equipment	<u>146,484,838</u>	<u>136,978,609</u>
	229,746,909	216,822,167
Less allowances for depreciation	<u>108,674,638</u>	<u>99,685,225</u>
	121,072,271	117,136,942
Land	<u>4,268,352</u>	<u>4,289,230</u>
	<u><u>\$125,340,623</u></u>	<u><u>\$121,426,172</u></u>

(e) The financial statements for 1961 include the following U. S. dollar amounts (translated at appropriate rates of exchange) in respect of the consolidated foreign subsidiaries: working capital, \$5,434,446; net plant assets, \$20,914,122; and net income, \$2,542,947.

REPORT OF AUDITORS

TO THE SHAREHOLDERS OF NATIONAL BISCUIT COMPANY:

We have examined the statements of financial position of National Biscuit Company and consolidated subsidiaries as of December 31, 1961 and 1960, and the related statements of income and retained earnings for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statements of financial position and income and retained earnings present fairly the financial position of National Biscuit Company and consolidated subsidiaries at December 31, 1961 and 1960, and the results of their operations for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

LYBRAND, ROSS BROS. & MONTGOMERY

New York, February 5, 1962

Ten Year Financial Review

Dollars in Millions (except per share figures)

	1961 (a)	1960
Net sales	\$486.3	\$463.6
Earnings before income taxes	59.2	60.8
Federal and foreign taxes on income	30.8	31.5
Net income	28.4	29.3
Earnings retained in the business	7.8	10.4
Net income per common share	3.96	4.09
Dividends declared		
Preferred stock	1.7	1.7
Common stock	18.9	17.2
Per common share	2.80	2.50
Current assets	129.6	129.7
Current liabilities	52.4	53.9
Working capital	77.2	75.8
Plant and equipment (net)	125.3	121.4
Plant and equipment expenditures	16.8	11.5
Cost of employees' services	156.8	148.9
Provision for all taxes (except social security)	36.1	36.7
Book value of common stock	195.7	187.8
Book value per common share	29.00	27.84
Number of shareholders	83,174	77,332

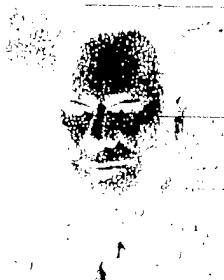
(a) The figures for 1961 and 1960 include amounts applicable to The Cream of Wheat Corporation.

1959	1958	1957	1956	1955	1954	1953	1952
\$429.0	\$413.3	\$424.5	\$410.5	\$389.6	\$376.4	\$359.0	\$346.5
51.2	46.4	45.7	41.9	39.2	43.2	40.8	39.7
26.7	24.3	23.6	21.6	20.9	23.3	22.7	21.9
24.5	22.1	22.1	20.3	18.3	19.9	18.1	17.8
7.5	6.3	6.3	5.8	3.8	5.5	3.8	3.5
3.57	3.18	3.18	2.90	2.59	2.85	2.61	2.56
1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
15.3	14.1	14.1	12.8	12.8	12.7	12.6	12.6
2.40	2.20	2.20	2.00	2.00	2.00	2.00	2.00
112.2	99.0	92.0	95.1	94.8	102.5	95.2	94.5
46.0	44.5	46.9	45.0	46.5	48.7	43.8	44.3
66.2	54.5	45.1	50.1	48.3	53.8	51.4	50.2
121.3	130.0	133.0	123.3	120.1	112.1	105.7	104.4
8.4	9.7	21.6	15.7	18.1	15.2	9.8	16.3
140.1	136.2	135.6	133.5	130.3	126.6	126.4	121.3
31.5	29.0	28.1	25.8	25.0	27.1	26.3	25.3
171.1	163.7	157.4	151.1	145.3	141.6	132.5	128.7
26.80	25.63	24.64	23.66	22.76	22.17	21.07	20.47
75,834	75,702	75,603	72,262	70,281	69,829	69,961	69,045

Operating and Staff Officers



Nile E. Cave
Vice President
Biscuit Division
29 years' service



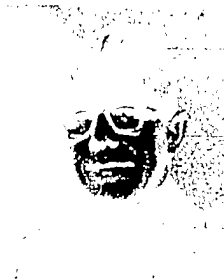
Harry T. Eggert
Vice President
Personnel Relations
45 years' service



Roy K. Kelley
Vice President
New Products
22 years' service



Thomas K. Krug
Vice President
Bread Division
3 years' service



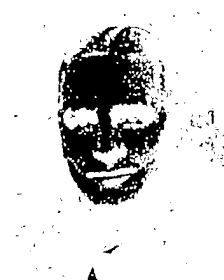
C. Eugene Lair
Vice President
Purchasing
27 years' service



William E. MacKay
Vice President &
General Counsel
30 years' service



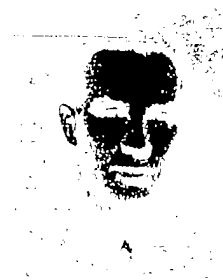
Frank K. Montgomery, Jr.
Vice President
Special Products Division
23 years' service



Edwin F. Mundy
Vice President
Traffic
31 years' service



Edward A. Otocka
Vice President
Operations
14 years' service



Charles S. Webster
Vice President
Finance
28 years' service



Kenneth M. Hatcher
Secretary and Treasurer
15 years' service



Robert M. Schaeberle
Controller
15 years' service

BOARD OF DIRECTORS

LAWRENCE A. APPELY	DON G. MITCHELL	CARROL M. SHANKS
LEE S. BICKMORE	GEORGE A. MITCHELL	PERRY M. SHOEMAKER
WILLIAM H. COLVIN	WILLIAM H. MOORE	RUSSELL M. SHULTZ
JESS H. DAVIS	ALEXANDER C. NAGLE	ROY E. TOMLINSON
DUDLEY W. FIGGIS	LIVINGSTON PLATT	

EXECUTIVE COMMITTEE

LEE S. BICKMORE	DON G. MITCHELL	LIVINGSTON PLATT
JESS H. DAVIS	ALEXANDER C. NAGLE	ROY E. TOMLINSON

OFFICERS

Executive Department

LEE S. BICKMORE	President
GEORGE A. MITCHELL.	Senior Vice President
RUSSELL M. SHULTZ	Senior Vice President

Vice Presidents

NILE E. CAVE	Biscuit Division
HARRY T. EGGERT	Personnel Relations
ROY K. KELLEY	New Products
THOMAS K. KRUG	Bread Division
C. EUGENE LAIR	Purchasing
WILLIAM E. MACKAY	General Counsel
FRANK K. MONTGOMERY, JR.	Special Products Division
EDWIN F. MUNDY	Traffic
EDWARD A. OTOCKA	Operations
CHARLES S. WEBSTER	Finance

KENNETH M. HATCHER	Secretary and Treasurer
ROBERT M. SCHAEBERLE	Controller

Transfer Agent: Morgan Guaranty Trust Company of New York
140 Broadway, New York 15, New York

Registrar: The First National City Bank of New York
55 Wall Street, New York 15, New York